

TEACHERS' RETIREMENT BOARD  
SUBCOMMITTEE ON CORPORATE GOVERNANCE

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SUBJECT:   Panel Discussion – Scope of  
                  Corporate Governance Activities

ITEM NUMBER:     4  

ATTACHMENT(S):     1  

ACTION:               \_\_\_\_\_

DATE OF MEETING: February 2, 2000

INFORMATION:     X  

PRESENTER: Mr. Mitchell

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**EXECUTIVE SUMMARY**

A continuing objective for the Investment Branch is to provide the Teachers' Retirement Board with educational presentations to assist in the managing and monitoring of the investment portfolio. The topic for this panel is "Scope of Corporate Governance Activities".

The panelists are:

- Kenneth A. Bertsch – Director of Corporate Governance, Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF).
- Suzanne Harvey – Managing Director of Social Investment Research Service, Institutional Shareholder Services (ISS).
- Richard H. Koppes – Counsel, Jones, Day, Reavis & Pogue and Consulting Professor of Law and co-Director of Executive Education Programs, Stanford Law School.

Attachment 1 provides the biographies of each speaker. Each panelist will make a short presentation followed by a question and answer session.

## **Biographies**

**Suzanne Harvey** joined Institutional Shareholder Services (ISS), a Thomson Financial company, in September 1999 as Managing Director of the Social Investment Research Service (SIRS).

Originally established by Ms. Harvey in 1984 as part of the Washington Research Group of Prudential Securities' Institutional Equity Research Department, SIRS became independent in the Fall of 1998 and was acquired by ISS in September 1999.

SIRS provides company specific information on a wide variety of social investment topics to members of the investment community. Among other things, SIRS evaluates U.S. corporate behavior with respect to such issues as the environment, defense, human rights, and the tobacco and alcohol industries. In addition, SIRS serves as consultant to institutional investors including religious institutions, public and private pension funds, non-profit organizations, and mutual fund companies just to name a few.

During the last six years in which Ms. Harvey was with the Washington Research Group, it placed first in its category of Institutional Investor magazine's annual All-American Research Team. Ms. Harvey has served on several Boards of Directors including that of the U.S. based trade association -- the Social Investment Forum. Ms. Harvey's research has been published in several journals including the *Corporate Finance Review*.

Prior to joining Prudential Securities in 1983, Ms. Harvey worked in the Corporate Finance Department at Blyth Eastman Paine Webber in Boston, Massachusetts with the firm's venture capital group -- the Ampersand Management Company. Originally from Ojai, California, Ms. Harvey has a Bachelor of Arts degree from the University of California at Berkeley and has done post graduate work at Yale University.

**Kenneth A. Bertsch** is Director, Corporate Governance, Teachers Insurance and Annuity Association/ College Retirement Equities Fund. Mr. Bertsch was appointed to his present position at TIAA-CREF in January 1999. With more than \$260 billion in assets under management, TIAA-CREF is a leading financial services organization, a major institutional investor and the world's largest retirement fund, serving the education and research communities.

In his capacity as Director of Corporate Governance, Mr. Bertsch coordinates TIAA-CREF's Corporate Assessment Program, which reviews governance structures and practices of portfolio companies, and which involves discussions with selected companies. He works with two prominent retired CEOs who undertake many of those discussions on behalf of TIAA-CREF, and assists in work on shareholder resolutions and similar activities.

Mr. Bertsch worked in a variety of capacities for the Investor Responsibility Research Center for more than 14 years, including as Director of Corporate Governance and Director of Social Issues. At IRRC in 1980-84 and 1988-1999, he produced research reports and directed studies on a wide range of subjects, including boards of directors, takeover defenses, executive and director pay, labor issues (including equal employment), shareholder activism, SEC and Department of Labor regulations affecting rights and responsibilities of shareholders, international human rights, military production, and corporate charitable and political contributions. Mr. Bertsch received a B.A. degree from Williams College in 1978, and did graduate studies in political theory at the University of Massachusetts/Amherst.

**Richard H. Koppes** is the former Deputy Executive Officer and General Counsel of the California Public Employees' Retirement System, the largest public pension fund in the United States with over \$160 billion in assets. He is currently Counsel to the international law firm of Jones, Day, Reavis & Pogue, serves on the faculty of Stanford Law School where he is a Consulting Professor of Law and co-Director, Executive Education Programs, and does private consulting for corporations. As second in command at CalPERS, Mr. Koppes was responsible for the legal advice and direction of the fund's corporate governance program, internal auditing matters and fiduciary obligations. In that role, he became nationally recognized as the leading expert in corporate governance and shareholder rights issues facing most corporations and institutional investors today.

Among his numerous activities, Mr. Koppes served as a member of the New York Stock Exchange Board of governors' Legal Advisory Committee from 1994 to 1997 and is a member of the American Society of Corporate Secretaries, the Council of Institutional Investors, the American Law Institute (ALI) and the International Bar Association, where he serves as Co-Chair of the General Counsels/Corporate Governance Sub-committee. In addition, Mr. Koppes is a member of the Board of Directors of Apria Healthcare Group, Inc. (a one billion dollar plus NYSE listed and nationally operated home health care company headquartered in Costa Mesa, CA) and chairs the Corporate Governance and Nominating committee on that Board. He is a frequent author and lecturer on issues relating to the role of pension fund investors in corporate governance and fiduciary duties.

Mr. Koppes received his B.A. in Political Science from Loyola Marymount University in 1968 and his J.D. from U.C.L.A. School of Law in 1971.